# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

UNSTARRED QUESTION NO:2588
ANSWERED ON:18.12.2003
ONGC INVESTMENT IN DEVELOPMENT OF OILFIELDS
AMBATI BRAHMANAIAH

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether ONGC proposes to invest Rs. 300 crores in the development of the D-1 marginal oil field off Mumbai;

(b) if so, the details of the investment and the expected returns;

(c) the assured oil reserves in this D-1 marginal oilfield off Mumbai;

(d) whether ONGC is carefully assessing its investments in such circumstances; and

(e) if so, the details thereof?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI SUMITRA MAHAJAN)

(a) & (b) : Oil and Natural Gas Corporation Limited (ONGC) has informed that in September 2002 its Board of Directors has approved the Development Scheme of D-1 marginal oil field at an estimated cost of about Rs. 310 crore, at an estimated IRR of 28.4% with oil price of US$ 16 per barrel. The Scheme involves installation of one 12-slot light weight well-cum-water injection platform and drilling/completion of 12 wells in two phases.

(c) : The reserves of the target layers considered for development of D-1 field are 4.57 million metric tonne (MMT), which quantity is envisaged to be produced over a period of 10 years effective from the year 2005-06.

(d) & (e) : ONGC has informed that before investing in the development of any field, appropriate techno-economic studies of the proposal are carried out at the concerned work center, supplemented by studies at specialized Institutes of ONGC and/or by a multi-disciplinary Project Appraisal Group as required. Further, any project investment above Rs. 250 crore, like the one for D-1 field referred to in reply to parts (a) and (b) above, is appraised by an external Financial Institution in accordance with the Navratna empowerment of ONGC.